

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
Telephone: (801) 538-5340

DIVISION OF  
OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. GENERAL INFORMATION

1. Report Time Period: From (mo./yr.) Jan 89 To (mo./yr.) Dec 89
2. DOGM File Number (original notice): M / 023 / 010
3. Mine Name: NAVAJO SANDSTONE
4. Mineral(s) Mined: Sandstone
5. Name of Operator or Company: ASH GROVE CEMENT WEST, INC.
6. Permanent Address: P.O. Box 51  
Nephi, Utah 84648
7. Company Representative (or designated operator):  
Name: Bob Feaman  
Title: Quarry Superintendent  
Address: (same as above)  
Phone: (801) 857-2380

☒ Please check if any of the above information has changed since previous year.

II. MINING AND RECLAMATION

1. Was the mine active during the past year? Yes ☐ No ☒
2. If active, how much ore or mineral was mined? \_\_\_\_\_

FORM MR-RC  
Revised 2/17/89  
RECLAMATION CONTRACT

*Copy of original that  
was released &  
returned to survey 4/15/92  
replaced 3/30/92*

File Number M/023/010

Effective Date 3/22/90

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**RECEIVED**  
MAR 20 1990

DIVISION OF  
OIL, GAS & MINING

RECLAMATION CONTRACT

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For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) M/023/010  
(Mineral Mined) Sandstone

"MINE LOCATION":

|                |   |
|----------------|---|
| (Name of Mine) | <u>Navajo Sandstone Quarry</u>                            |
| (Description)  | <u>Silica and Silica #1</u>                               |
|                | <u>mining claims in the NE<math>\frac{1}{4}</math> of</u> |
|                | <u>Section 25, T13S, R2W, SLM</u>                         |

"DISTURBED AREA":

|                     |                  |
|---------------------|------------------|
| (Disturbed Acres)   | <u>8.0</u>       |
| (Legal Description) | <u>Exhibit A</u> |

"OPERATOR":

|                   |                                    |
|-------------------|------------------------------------|
| (Company or Name) | <u>ASH GROVE CEMENT WEST, INC.</u> |
| (Address)         | <u>P.O. Box 51</u>                 |
|                   | <u>Nephi, Utah 84648</u>           |
|                   | <u>(801) 857-2380</u>              |
| (Phone No.)       | <u></u>                            |

CT Corporation System

50 West Broadway

Salt Lake City, Utah 84101

(801) 364-1228

George M. Wells, President

Ash Grove Cement West, Inc.

Suite 300

6720 S.W. Macadam Avenue

Portland, Oregon 97201

Corporate Surety Bond

Corporate Surety Bond

Westchester Fire Insurance Company

Policy No. \_\_\_\_\_ dated 3/16/90

\$15,000

\$15,000

1994

State of Utah

Division of Oil, Gas and Mining

Board of Oil, Gas and Mining

Revision Dates:

\_\_\_\_\_

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This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Operator and the Board.

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/023/010 which has been approved by the Division under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim the Disturbed Area in accordance with Operator's approved Reclamation Plan and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:


1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Notice of Intention, and the Reclamation Plan.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board, which surety is in the form of the surety attached hereto as Exhibit B and made a part hereof. The surety shall remain in full force and effect according to its terms unless modified by the Board in writing.
3. Operator agrees to pay <sup>legally determined</sup> public liability and property damage <sup>operations</sup> claims resulting from mining as determined by the Board or the Division, to the extent provided in the Act.

4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, and the Reclamation Plan.
5. The Operators liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention and the Reclamation Plan.
6. Operator agrees to indemnify and hold harmless the State, Board and Division from any claim, demand, liability, cost charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents, and employees, or contractor to comply with this Contract.
7. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
8. This Contract shall be governed and construed in accordance with the laws of the State.
9. If Operator shall default in the performance of the obligations heretofore, Operator agrees to pay all costs and expenses, including attorneys fees and costs generated by the Division and/or the Board in the enforcement of this Contract.

10. Any breach of the provisions of this Contract by Operator may, at the discretion of the Division, <sup>after notice and hearing,</sup> result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety, or take such other action as is authorized by law.
11. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this contract. Any excess monies resulting from forfeiture of the Surety, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
12. This Contract represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
13. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

SO AGREED this 22<sup>nd</sup> day of March, 1990.

APPROVED AS TO FORM AND AMOUNT OF SURETY:

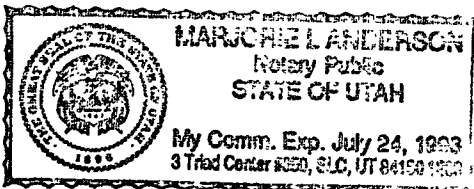
By   
Chairman, Board of Oil, Gas and Mining

DIVISION OF OIL, GAS AND MINING:

By Dianne R. Nielson 3/22/90  
Director Date

STATE OF Utah )  
 ) ss:  
COUNTY OF Salt Lake )

On the 22<sup>nd</sup> day of March, 1990, personally appeared before me, who being by me duly sworn did say that he/she, the said Dianne R. Nielson is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledged to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.



Marjorie L. Anderson  
Notary Public  
Residing at: SLC, Utah

My Commission Expires:



OPERATOR:  
ASH GROVE CEMENT WEST, INC.

By George M. Wells  
Corporate Officer - <sup>President</sup> Position

March 14, 1990  
Date

STATE OF Oregon )  
 ) ss.  
COUNTY OF Multnomah )

On the 14th day of March, 1990, personally  
appeared before me George M. Wells who being by  
me duly sworn did say that he/she, the said George M. Wells  
is the President  
of Ash Grove Cement West, Inc. and duly acknowledged that said  
instrument was signed on behalf of said company by authority of its  
bylaws or a resolution of its board of directors and said  
George M. Wells duly acknowledged to me that said  
company executed the same.

E. M. Wells  
Notary Public  
Residing at: Portland, Oregon

April 27, 1990

My Commission Expires:

EXHIBIT "A"

The following described mining claims situated in the NE $\frac{1}{4}$  of Section 25, Township 13 South, Range 2 West, SLM, Juab County, Utah:

| <u>CLAIM NAME</u> | <u>BLM SERIAL #</u> |
|-------------------|---------------------|
| Silica            | UMC 280308          |
| Silica #1 (Am)    | UMC 279002          |